

15 FAM 500 REAL PROPERTY DISPOSITION ABROAD

15 FAM 510 SCOPE AND GENERAL POLICY

*(CT:OBO-1; 04-29-2005)
(Office of Origin: OBO)*

15 FAM 511 AUTHORITY AND SCOPE

15 FAM 511.1 Authority

*(CT:OBO-1; 04-29-2005)
(Uniform State/USAID/Commerce/Agriculture/DIA)*

The Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 300), and the Foreign Assistance Act of 1961, as amended (40 U.S.C. 511-514).

15 FAM 511.2 Scope

*(CT:OBO-1; 04-29-2005)
(Uniform State/USAID/Commerce/Agriculture/DIA)*

This subchapter applies to the disposition of U.S. Government-owned (GO), long-term leased (LTL), and trust fund properties abroad, the funding of expenses, and the disposition of proceeds. Most properties may be disposed of by sale, exchange, lease, or license. USAID properties may be also disposed of by transfer for cash, credit, or other property, with or without warranty, or for foreign currencies, credits, or substantial benefits or the discharge of claims resulting from the compromise or settlement of such claims. Detailed procedures to implement these regulations are found in 15 FAM 515. Questions or comments on these regulations or procedures may be directed to the Real Estate and Property Management Office in the Bureau of Overseas Buildings Operations (OBO/REPM) for State or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), for USAID.

15 FAM 512 POLICY

15 FAM 512.1 General

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Each post should review U.S. Government-owned/long-term leased (GO/LTL) properties periodically to identify those surplus to requirements, not fully utilized, or uneconomical to retain (see 15 FAM Exhibit 512.1). Post should report to the Real Estate and Property Management Office in the Bureau of Overseas Buildings Operations (OBO/REPM) or the Overseas Management Support Division in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), and the regional bureau any property that is in some measure surplus and submit recommendations for disposition. Before taking any action that could result in disposition, post must obtain approval from Washington. After approval, post must coordinate with OBO/REPM or USAID/W (M/OMS) to retain legal counsel, select a disposal method, and complete the transaction. The Department has no authority to dispose of properties for less than fair-market value.

15 FAM 512.2 Retaining Professional and Technical Services

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

All real property disposition actions abroad require the use of local legal counsel. The services of other professionals such as real estate brokers may also be necessary. Post must obtain prior approval before making commitments or incurring financial obligations (see 15 FAM 413 for details).

15 FAM 512.3 Funding of Expenses

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. **Department of State:** Posts must request approval and funding from the Area Management Division in the Operations and Maintenance Office of the Bureau of Overseas Buildings Operations (OBO/OM/AM) for sale, exchange, lease, or license expenses such as fees for agents or brokers, surveys, advertising, legal services, appraisals, and closing costs.
- b. **USAID:** Missions must request approval from USAID/Washington (USAID/W) of expenses arising from a sale, exchange, or lease.

15 FAM 512.4 Documentation and Records

(CT:OBO-1; 04-29-2005)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Documentation and records relating to property disposal must be maintained as provided in 15 FAM 417.

15 FAM 513 THROUGH 519 UNASSIGNED

15 FAM EXHIBIT 512.1

GUIDELINES FOR THE EVALUATION OF REAL PROPERTIES

(CT:OBO-1; 04-29-2005)

When reviewing property, posts should consider the following:

- (1) Is the property wholly or partly surplus to needs? If so, could it be sold, licensed, leased, or exchanged for more useful property?
- (2) Is the property uneconomical to retain? If so, could it be sold or exchanged for a more suitable property with lower maintenance and operating costs, at a price roughly equivalent to the value of the present property? Or, could it be leased or licensed and other property acquired to meet post needs?
- (3) Is the property being put to optimum use?
- (4) Is the property used only irregularly for program uses? Would a portion of the property satisfy program needs?
- (5) Have local conditions changed significantly since the property was acquired, thereby affecting the surrounding neighborhood, transportation facilities, convenience to users, zoning, and other environmental factors, including local development plans?
- (6) Is continued U.S. Government ownership of the property justified in light of its current use?
- (7) Are operating and maintenance costs excessive?
- (8) Is the property functionally obsolete or has it physically deteriorated beyond economical repair?
- (9) Will program changes alter post property requirements?
- (10) If a portion of the property is released, will the remaining portion still comply with zoning requirements?
- (11) Considering property prices or rentals, costs of moving, preparation of the new space, occupancy costs, and increase in efficiency of operations, can net savings to the U.S. Government be realized by relocation?
- (12) Is a portion of any property being retained primarily because the present boundaries are marked by the existence of fences, hedges, roads, or utilities?
- (13) Is land being retained only because it is landlocked?

- (14) Is there land that can be made available for use by others, within or outside the U.S. Government, on a temporary lease or license basis?
- (15) Are there security, political, or public relations considerations that outweigh the foregoing?
- (16) What effect does the availability of alternative facilities, if required, have on the foregoing?
- (17) Are there any restrictions on the expatriation of proceeds of sale under local law?